## Assembly Bill No. 117

## CHAPTER 1020

An act to amend Sections 42871 and 42885 of the Public Resources Code, relating to solid waste.

[Approved by Governor September 30, 1998. Filed with Secretary of State September 30, 1998.]

## LEGISLATIVE COUNSEL'S DIGEST

AB 117, Escutia. Solid waste: tire fees.

Existing law, the California Integrated Waste Management Act of 1989, administered by the California Integrated Waste Management Board, establishes an integrated waste management program.

The existing California Tire Recycling Act, which is a part of the integrated waste management act, requires every person until June 30, 1999, who purchases a new tire from a retail seller of new tires to pay a fee of \$0.25 per tire to the seller. The tire recycling act authorizes the seller to retain 10% of that fee as reimbursement for any costs associated with the collection of the fee and requires the remainder to be remitted to the state on a quarterly basis for deposit in the California Tire Recycling Management Fund.

This bill would extend the operation of these fee provisions to January 1, 2001.

The bill would also require the board to submit a preliminary waste tire report, on specified matters relating to tire recycling, together with recommendations for legislation, to the Legislature and the Governor not later than May 1, 1999, with the assistance of a working group of affected parties convened by the board. The bill would require a final report on these matters to be submitted to the Legislature and the Governor not later than June 30, 1999.

Existing law requires the money in the fund, except for specified refunds, to be appropriated in the annual Budget Act to the board, for specified purposes with regard to tire recycling, enforcement, remedial action, studies, a shredding program, purchase preferences, waste hauler program, and the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program.

This bill would declare the intent of the Legislature that the board, in expending money from the fund in the 1999–2000 fiscal year, emphasize the purposes of permitting, enforcement, and cleanup.

The people of the State of California do enact as follows:

SECTION 1. Section 42871 of the Public Resources Code is amended to read:

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42871. (a) The board shall administer a tire recycling program that promotes and develops alternatives to the landfill disposal of used whole tires.

- (b) Notwithstanding Section 7550.5 of the Government Code, the board shall submit a preliminary waste tire report, together with recommendations for legislation, to the Legislature and the Governor not later than May 1, 1999, and a final report on these matters to the Legislature and the Governor not later than June 30, 1999. The board shall convene a working group of affected parties to assist the board in the development of this report and any proposed recommendations for legislation. The report shall include a status report with respect to waste tires in California, as well as an examination of programs needed to provide sustainable end uses for the waste tires generated in California and the reduction of existing waste tire stockpiles. The report shall include, but need not be limited to, the following elements:
- (1) An evaluation of the performance and cost-effectiveness of existing state and local agency programs related to waste tires and, as appropriate, a review of other successful out-of-state tire programs. At a minimum, the report shall include an analysis of all of the following:
- (A) The use of retreaded tires on state-owned vehicles pursuant to the Retreaded Tire Program (Chapter 7 (commencing with Section 42400)), which shall be reported to the board by the Department of General Services.
- (B) The use of tires as paving materials in state projects pursuant to Chapter 14 (commencing with Section 42700), which shall be reported to the board by the Department of Transportation.
- (C) Waste tire facilities conducting business pursuant to Chapter 16 (commencing with Section 42800).
- (D) Storage of tires at landfills, tire recycling, the tire recycling fee, and the use of recycled tire products by state agencies pursuant to Chapter 17 (commencing with Section 42860).
- (E) The tire hauler registration program conducted pursuant to Chapter 19 (commencing with Section 42950).
- (F) The board's progress in meeting the intent of subdivision (a) of Section 42870 to reduce the landfill disposal and stockpiling of used whole tires by 25 percent within four years beginning in 1991.
- (2) A critical analysis of proposed strategies and resources necessary to eliminate stockpiles of waste tires, protect public health and the environment, and increase sustainable economic markets for waste tires in California. The report shall also include an estimate of waste tires imported from other states for use or disposal in this state, including options and recommendations, as appropriate, to remedy the adverse impacts, if any, of imported waste tires on the achievement of the waste tire management goals of the state.

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- (3) The board, in consultation with the tire manufacturing industry, shall include a component in the report on the activities of tire manufacturers in addressing the recycling and disposal of waste tires
- SEC. 2. Section 42885 of the Public Resources Code is amended to read:
- 42885. (a) Every person who purchases a new tire, as defined in subdivision (c), from a retail seller of new tires shall pay a fee of twenty-five cents (\$0.25) per tire to the seller. The retail seller shall collect the fee at the time of sale, may retain 10 percent of the fee as reimbursement for any costs associated with the collection of the fee, and shall remit the remainder to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund, which is hereby created in the State Treasury.
- (b) The board, or its agent authorized pursuant to Section 42882, shall be reimbursed for its costs of collection, auditing, and refunds associated with the California Tire Recycling Management Fund, but not to exceed 3 percent of the total annual revenue deposited in the fund
- (c) For purposes of this section, "new tire" means a pneumatic or solid tire intended for use with on-road or off-road motor vehicles, motorized equipment, construction equipment, or farm equipment that is sold separately from the motor vehicle, motorized equipment, construction equipment, or farm equipment. "New tire" does not include retreaded or recycled tires or tires that are mounted on wheels and sold as part of a vehicle or equipment.
- (d) This section shall remain in effect only until January 1, 2001, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2001, deletes or extends that date.
- SEC. 3. It is the intent of the Legislature that in expending funds from the California Tire Recycling Management Fund during the 1999–2000 fiscal year pursuant to Section 42889 of the Public Resources Code, the California Integrated Waste Management Board emphasize the purposes of permitting, enforcement, and cleanup.